



## ***SOLICITATION NOTICE***

### ***REGIONAL INDUSTRY CLUSTER(S) OF OPPORTUNITY***

#### ***Solicitation For Proposals***

October 2009

*The State Board is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Special requests for services, aids, and/or special formats need to be made by calling (916) 324-3425 (Voice). TTY users, please call the California Relay Service at 711.*

# SOLICITATION FOR PROPOSALS

## REGIONAL INDUSTRY CLUSTER(S) OF OPPORTUNITY

<b>Section 1</b>	<b>Overview .....</b>	<b>4</b>
	A. Introduction .....	4
	B. Background.....	4
	C. Funding Activities.....	7
	D. Eligible Applicants .....	8
	E. Allowable Uses of Funds.....	8
	F. Length of Project.....	8
<b>Section 2</b>	<b>Significant Dates .....</b>	<b>9</b>
<b>Section 3</b>	<b>Proposal Submission Instructions .....</b>	<b>10</b>
<b>Section 4</b>	<b>Required Proposal Content.....</b>	<b>11</b>
	A. Minimum Requirements .....	11
	B. Match Requirements .....	11
	C. Application Requirements .....	12
	D. Proposal Package Instructions.....	12
	E. Format and Document Order .....	12
<b>Section 5</b>	<b>Award and Contracting Process .....</b>	<b>13</b>
	A. Proposal Evaluation and Recommendation for Funding .....	13
	B. Notification of Recommendation for Funding .....	13
	C. Contracting .....	13
<b>Section 6</b>	<b>Appeal Process .....</b>	<b>15</b>
<b>Section 7</b>	<b>Administrative Requirements .....</b>	<b>16</b>
	A. Monitoring and Audits .....	16
	B. Record Keeping .....	16
	C. Reporting .....	16
	D. Cash Disbursements.....	17
	E. Outcomes.....	17
	F. Closeout.....	17
	G. Compliance .....	17
	H. Evaluation .....	17
	<b>Appendices .....</b>	<b>18</b>
	A. Administrative Cost Definitions.....	18
	B. General Provisions and Standards of Conduct .....	20
	C. Internet Resources .....	40
	D. Job Training Automation System Hardware and Software Requirements.....	43
	E. California Energy Commission Funds.....	44

## **Proposal Package Instructions and Forms**

- Cover/Signature Page and Proposal Summary
- Proposal Narrative Form
- SFP Form 1 - Project Work Plan
- SFP Form 2 - Outcomes Matrix
- SFP Form 3 – Partners Matrix
- SFP Form 4 - Budget Detail and Plan
- SFP Form 5 - Supplemental Budget Form (if applicable)

# **SOLICITATION FOR PROPOSALS**

## **REGIONAL INDUSTRY CLUSTER(S) OF OPPORTUNITY**

### **Section 1 Overview**

#### **A. Introduction**

The California Workforce Investment Board (State Board), the California Energy Commission (Energy Commission), and the California Economic Strategy Panel (Panel), in coordination with the California Labor and Workforce Development Agency (LWDA), announce the availability of approximately \$3 million to develop and implement regional clusters of opportunity strategies and to involve partners to advance the competitive position of targeted clusters resulting in economic prosperity through a Solicitation for Proposals (SFP). Proposals can focus on one or more established and/or emerging clusters of opportunity (e.g. agriculture and food value chain, water technology, motion picture and entertainment, manufacturing, health care, renewable energy).

This collaborative effort will combine American Recovery and Reinvestment Act of 2009 (Recovery Act) funding and Assembly Bill 118 Alternative and Renewable Fuel and Vehicle Technology Program funds.

The Recovery Act, signed by President Obama on February 17, 2009, is intended to preserve and create jobs, promote the nation's economic recovery and to assist those most impacted by the recession. The California Clean Energy Workforce Training Program and the California State application for the U.S. Department of Labor's Solicitation for State Energy Sector Partnership (SESP) and Training Grants support the work of California's Green Workforce Initiative (CGWI). The collaborative effort of CGWI combines funding from the Recovery Act for the State Energy Program, the Alternative and Renewable Fuel and Vehicle Technology Program established by AB 118 (Núñez Chapter 750, Statutes of 2007), Workforce Investment Act (WIA) Governor's Discretionary funds, and private and local funds to create what's believed to be the nation's largest green job workforce development program. Although, this SFP is an essential part of the CGWI, it is not intended to exclusively support regional industry cluster initiatives that entail green sectors.

#### **B. Background**

The State Board is promoting data-driven analyses as the foundation for developing and implementing regional clusters of opportunity strategies and for involving partners in advancing the competitive position of targeted clusters resulting in economic prosperity.

This initial and central component is critical to the State Board's and the Green Collar Job Council's (GCJC) industry sector strategy approach. The central attributes of the sector strategies approach and what sets it apart from other economic competitiveness models include the following:

- Targets a specific industry or industry cluster; develops data driven, finely tuned expertise of the interdependence between business competitiveness and the workforce needs of the targeted industries.
- Builds regionally based partnerships of employers, training providers, community organizations, organized labor, and other key stakeholders around specific industries.
- Addresses the workforce needs of employers and the training, employment, and career advancement needs of workers.
- Bolsters regional economic competitiveness by aligning education, economic, and workforce development planning and leveraging of resources.
- Promotes systematic change that supports innovation and achieves ongoing benefits for industries, workers, and communities.

This SFP is based on the Panel's *Industry Clusters of Opportunity User Guide: September 2008*

([http://www.labor.ca.gov/panel/pdf/Industry\\_Clusters\\_of\\_Opportunity\\_User\\_Guide\\_September\\_2008.pdf](http://www.labor.ca.gov/panel/pdf/Industry_Clusters_of_Opportunity_User_Guide_September_2008.pdf)) and the series of training sessions conducted throughout the state. The Panel's objective was to institutionalize a research methodology and access to the non-confidential employment and wage information reported by employers to empower local and regional organizations to conduct on-going economic analyses. The outcome would be periodic economic information at the most disaggregated level for workforce and economic strategic planning, policy development and investment decisions.

Since 2007, this effort has been a partnership under a Memorandum of Understanding that includes the Panel; State Board; Employment Training Panel; Employment Development Department Labor Market Information Division; and, California Community Colleges Chancellor's Office.

### **Clusters of Opportunity**

Clusters of opportunity are sectors of the economy identified by growth in one or more areas: value; jobs; or, wages. A cluster of opportunity elaborates on the concept of an industry cluster traditionally seen as export oriented, geographically concentrated and interdependent industry sector character. It is characterized by competing firms and buyer-supplier relationships as well as shared labor pools and other specialized infrastructure.

Workforce opportunities provide employment opportunities for regional residents. Consequently, this definition of a "cluster of opportunity" focuses not only on export oriented sectors, but also population-driven sectors (e.g. health care) as well as sectors that offer occupations with "career potential." It also includes hybrid sectors or combination of sectors; those that may have export and local population serving components, or those that branch across traditional industry codes (e.g., green economy segments).

A cluster of opportunity is not the same as an industry sector. An industry sector is a group of firms with similar business processes, products or services (e.g. a specific manufacturing or construction sector). A cluster is a combination of multiple sectors and, by definition is geographically concentrated. At the core of a cluster is a particular industry sector, but the cluster is not restricted to firms within the sector since it includes related institutions and firms in other industries. Also, firms exist in clusters even when there are few firms in the sector in a

geographical area. Cluster strategy is a particular type of sectoral strategy, focusing on concentrations of related industries with certain characteristics within regional areas. It is an organizing principle around which workforce and economic development may be coordinated.

Focusing investments on clusters of opportunity has advantages for both workers and businesses. Workers gain access to career pathways for employment in competitive industries within the cluster. Workers gain skills and knowledge transferable within the cluster in their home region. Businesses gain access to specialized shared labor pools, and are supported by regional institutions, such as education and research, that understand their specialized products and processes. Businesses' competitive positions are bolstered through a cluster approach.

Cluster of opportunity approaches to workforce and economic development present unique challenges to rural areas, where labor market and firm densities are low and traditional industries such as agriculture dominate. Applicants located in rural economic regions are encouraged to review *Application of Industry Cluster-Based and Sector-Focused Strategies to Rural Economies* by the Corporation of Skilled Workforce ([www.skilledwork.org](http://www.skilledwork.org)) and the cluster work of the North Coast Prosperity Network at <http://www.northcoastprosperity.com/>.

### **Funding Availability**

Funding under this SFP will be awarded from two funding sources. The State Board's WIA funds are available through the Recovery Act, Governor's Discretionary 15 Percent account. The California Energy Commission funds were established through Assembly Bill 118 (Nunez, Chapter 750, Statutes of 2007) and are intended to develop and deploy alternative and renewable fuels and vehicle technologies in the marketplace, to transform California's fuel and vehicle types to help attain the state's climate change policies.

The estimated funding levels and maximum award amounts are:

- |   |                  |
|---|------------------|
| • Recovery Act WIA Governor's 15% Discretionary Funds   | \$2.5 million    |
| • California Energy Commission Alternative and Renewable Fuel and Vehicle Technologies Program Funds (AB 118) | <u>\$500,000</u> |
| TOTAL   | \$3 million      |
| • Maximum total award per grantee   | \$250,000        |

## C. Funding Activities

Local Workforce Investment Boards (Local Boards) should describe how they will utilize funding within the following continuum of activities:

*Clusters of Opportunity Diagnosis:* Research and analyses of one or more regional cluster of opportunity. This activity should include quantitative cluster research, qualitative value chain analysis, analysis of cluster occupational categories and skill-set requirements and related tasks to develop a firm understanding of a region's transforming economy.

*Collaborative Priority-Setting:* Design and implement a collaborative cluster engagement process based on the results of the research and analyses described above. This activity should engage cluster employers and community stakeholders to identify shared priorities for an overall cluster of opportunity strategy.

*Cluster of Opportunity Investment Strategy:* Identify and connect specific investments and other commitments among local, state, and federal government partners, as well as private firms and industry associations, and non-profit and private foundation partners, and others to advance the competitive position of regionally targeted clusters of opportunity (selected through the process described above) through workforce and economic development partnerships. This activity should produce an overall strategy with specific organizational commitments and champions organized around shared cluster priorities.

*Sustainable Implementation:* Support the long-term sustainability and growth of regional clusters of opportunity. This activity should produce a set of broader organizational and policy changes to sustain and expand regional cluster of opportunity strategies, as well as a lasting mechanism to support ongoing collaboration among all the partners.

If a Local Board focuses the above activities on Advanced Transportation, the California Energy Commission funds may substitute and/or augment the State Board's funds. The intent of the Alternative and Renewable Fuel and Vehicle Technology Program (AB 118) is to develop and deploy alternative and renewable fuels and vehicle technologies in the marketplace, to transform California's fuel and vehicle types, and to help attain the state's climate change policies.

Successful applicants will be required to send a Regional Action Team of five (5) individuals to three Action Clinics during the term of the contract. Successful applicants will be encouraged to host one of the Action Clinics. Details will be provided in final budget discussions.

### **California Energy Commission Funds**

Please see *Appendix E* for more information regarding the Energy Commission's funding through AB 118.

## **D. Eligible Applicants**

Local Boards are eligible applicants and must serve as the lead fiscal agent for all funded activities. In regions with multiple Local Boards, preference will be given to applications that involve as many Local Boards as needed given the region and targeted cluster. One lead Local Board must be designated.

Creating effective partnerships is an essential component of this SFP and will require that the Applicant develop partnerships with other Local Boards, Business and Industry Associations, Economic Development Organizations, Key Infrastructure Entities, Organized Labor, One-Stop Career Centers, K-12, including secondary career and technical education, Community Colleges and Technical Colleges, Community College Centers of Excellence, California State Universities, Local Jurisdictions, Public and Private Research Entities, Community-based and other faith and service organizations and other appropriate entities. Applicants must demonstrate that a high level of coordination already exists or that formalized linkages are in the process of being established.

## **E. Allowable Uses of Funds**

Grantees awarded funds under this SFP must comply with all requirements of the Recovery Act. Applicants are advised to review the Recovery Act and follow Office of Management and Budget (OMB) guidance in the development of their proposals. Requirements include, but are not limited to:

- Adherence to all grant clauses and conditions as they relate to the Recovery Act activity; and,
- Prohibition on expenditure of funds for activities at any casino or other gambling establishment, aquarium, zoo, golf course or swimming pool.

In addition, the Recovery Act and WIA funds are governed by its associated federal regulations, State and federal directives, and federal OMB Circulars.

## **F. Length of Project**

The term of the project will extend through June 2011. No obligation or commitment of funds will be allowed prior to or beyond the approval term of the grant contract. Any grant funds not expended during the contract agreement period must be returned to the State.



## Section 2 Significant Dates

Event	Date*
Solicitation Release	October 12, 2009
<b>Proposals Due</b> (by 3:00 p.m.)	<b>November 19, 2009 on or before 3:00 p.m. Pacific Daylight Savings Time</b>
Proposal review and evaluation	November 23-December 1, 2009
Award Announcements	December 3, 2009
Program Start Date	December 3, 2009

**\*Note:** All dates after the final proposal submission deadline are approximate and may be adjusted as conditions dictate, without addendum to this SFP.

## Section 3 Proposal Submission Instructions

### Proposal Deadline

The deadline for the **receipt** of proposals is **November 19, 2009, at 3 p.m. Pacific Daylight Savings Time. Late proposals will not be accepted.**

The date or time on a postmark or other courier's documentation is irrelevant to satisfying the submission deadline. All proposals, whether mailed, delivered by courier service, or hand delivered, must be received by the State Board by 3 p.m. November 19, 2009. Exceptions will not be allowed and there is no appeal for not meeting the proposal deadline.

The State Board will accept hand-delivered and courier-delivered proposals between 8:00 a.m. and 4:30 p.m. daily, excluding Saturdays, Sundays, State holidays and Furlough Fridays (identify the specific furlough days) and between 8:00 a.m. and 3 p.m. on November 19, 2009.

### Proposal Delivery Method and Addresses

Proposals may be submitted by mail, courier service, or hand delivery.

Mail to:                               ATTN: Clusters of Opportunity SFP  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

By courier to:                       ATTN: Clusters of Opportunity SFP  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

Hand deliver to:                   ATTN: Clusters of Opportunity SFP  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

Because of the need for an original signature, proposals may not be e-mailed or faxed.

## Section 4 Required Proposal Content

### A. Minimum Requirements

All proposals must adhere to the required format and, in order to be competitive, must include all of the requested information, completed forms, and attachments. The proposal must meet the minimum requirements listed below. **Proposals that do not adhere to these requirements will be determined non-responsive and will not be scored or considered for funding.**

- Applicants must use the specific instructions and complete all requested forms.
- Applicants may only submit one application.

### B. Match Requirements

It becomes increasingly important to leverage other public and private resources to support and sustain industries in California. It is the intent of this SFP to fund projects that can leverage other resources to maximize the impact of the project and the return on investment and to better ensure sustainability.

For the purposes of this SFP, although not required, match may include WIA or non-WIA funds made available to the applicant to be used specifically for this proposal's activities. Matching funds will be subject to the reporting requirements contained in WIA Directive [WIAD06-4](#), Quarterly and Monthly Financial Reporting Requirements. All cash/in-kind match must be documented with a letter of commitment verifying the match and be included as an attachment to the proposal. **If the applicant is providing cash/in-kind match they must submit a commitment letter describing the match.** All commitment letters must contain a contact person, telephone number and be dated in the months of October or November 2009. Match amounts will be verified by the state prior to selection of the grant award. Match amounts not included in commitment letters will not be counted.

The definition of cash match is a contribution of funds made available to the Applicant, to be used specifically for these project activities and must be consistent with the allowable activities of the fund source. The awarded grantee has control over and disburses these funds. Examples include: money received from employers, foundation, private entities or local governments.

The definition of in-kind match is a contribution of non-cash resources used specifically for project activities. Examples include donated personnel, services or use of equipment or space.

### C. Application Requirements

Applicants must meet the other requirements listed below. Proposals that do not adhere to these requirements will be scored. However, for each requirement not met, a penalty will be assessed as detailed below.

Requirement	Penalty
Applicant must submit six complete copies of the entire proposal, and of those copies, two must have original signatures. In accordance with State policy, the organization's contract/agreement signatory authority or authorized designee as designated by the organization's Board of Directors' Resolution must sign proposals.	3 points deducted
Proposal Narrative is limited to 8 pages, 1 inch margins.	3 points deducted
Proposal Narrative must be in a font no less than 12 point.	1 point deducted
Each copy of the proposal package must be stapled in the upper left hand corner. Special bindings, report covers, or tabbed separators will result in reducing the proposal score.	1 point deducted
The proposal package must be submitted in electronic form on a diskette or compact disk, exclusive of the letters of commitment.	1 point deducted

### D. Proposal Package Instructions

Proposal package instructions are available on the [State Board Website](#) and contain links to each required form.

### E. Format and Document Order

The following chart lists the order of documents that must be included in the proposal package. This may also be used as a checklist to help ensure submission of a complete grant package.

1. Cover/Signature page and Proposal Summary (summary limited to one page)	<input type="checkbox"/>
2. Proposal Narrative Form (limited to 8 pages). The Proposal Narrative Form includes the following sections:	<input type="checkbox"/>
I. Statement of Need	<input type="checkbox"/>
II. Proposed Objectives and Activities	<input type="checkbox"/>
III. Outcomes	<input type="checkbox"/>
IV. Regional Partnerships and Leveraged Resources	<input type="checkbox"/>
V. Budget Detail and Plan	<input type="checkbox"/>
3. SFP Forms	

Project Work Plan (SFP Form 1)	<input type="checkbox"/>
Outcomes Matrix (SFP Form 2)	<input type="checkbox"/>
Partners Matrix (SFP Form 3)	<input type="checkbox"/>
Budget Detail and Plan (SFP Form 4)	<input type="checkbox"/>
Supplemental Budget Form (SFP Form 5)	<input type="checkbox"/>
4. Letters of commitment for cash/in-kind match	<input type="checkbox"/>

## Section 5 Award and Contracting Process

### A. Proposal Evaluation and Recommendation for Funding

Proposals will be reviewed and prioritized by a panel of workforce and economic development subject matter experts, including representation from industry, labor and state agencies. The scoring value of each section of the SFP is as follows:

Criterion	Points
Narrative Section I. Statement of Need	10
Narrative Section II. Proposed Objectives and Activities	25
Narrative Section III. Outcomes	30
Narrative Section IV. Regional Partnerships and Leveraged Resources	30
Narrative Section V. Budget Detail and Plan	5
<b>Total Possible Points</b>	<b>100</b>

The ranked scores will serve as the primary basis for making recommendations for funding in conjunction with other factors such as geographic distribution of funds, uniqueness, and innovative aspects of the proposal. Only those proposals deemed to be meritorious and in the best interests of the State will be recommended for funding. The State Board reserves the right to conduct on-site reviews prior to making final funding recommendations. After completion of the evaluation process, funding recommendations will be made to the State Board Executive Director and the California Energy Commission. The State Board and California Energy Commission, in consultation with the LWDA and the Panel will make recommendations for final funding decisions.

### B. Notification of Recommendation for Funding

Following the selection of proposals to be funded, notification will be placed on the State Board Web site and applicants will be notified of the funding decisions. The State expects that the award decision notices will be sent in December 2009.

## **C. Contracting**

The State Board staff will contact the awardees to finalize contract details. In some cases, The State Board may request that the contracts incorporate changes to the original project proposals. After the contract negotiations, if any, the State Board will mail the subgrant agreement (contract) to the awardees for signature. All awardees must comply with the subgrant General Provisions and Standards of Conduct for each of the fund sources awarded under this SFP. The WIA General Provisions and Standards of Conduct are contained in Appendix B. This includes a special provision for Recover Act dollars. The General Provisions and Standards of Conduct for the Energy Commission funds (AB 118) are currently under development and will be provided to awardees prior to the contract negotiations.

The State expects the contract negotiations to begin in December 2009, with a project start date as early as December 3, 2009.

Awardees are advised to consider whether official action by a County Board of Supervisors, City Council, or other similar decision-making body will be necessary before agreeing to accept funds awarded under this SFP. The time needed for such official action will affect the awardees ability to meet the earliest project start date of December 3, 2009.

The California Employment Development Department (EDD) will serve as the administrative agent for the contracts between the State Board and the Local Boards.

## Section 6 Appeal Process

A proposal will be disqualified for not meeting the minimum requirements and an appeal of that disqualification decision may be filed. There is no appeal process for not meeting the proposal submission deadline. Final funding decisions cannot be appealed. The minimum requirements, which are listed in Part A of Section 4 of the SFP, are those conditions that must be met in order for the proposal to be forwarded for evaluation and scoring.

The State Board will mail disqualification letters to applicants no later than November 24, 2009. Any appeals must be received in the State Board office by 4:00 p.m. on December 1, 2009. The appellant must submit the facts in writing. The review will be limited to the information provided in writing.

To be considered for review, the appeal must contain the following information:

- The full name, address, and telephone number of the appealing party.
- A brief statement of the reasons for appeal, including citations to the SFP and any other pertinent documents.
- A statement of the relief sought.
- Original signature of the authorized signatory authority of the organization.

The appellant must provide a copy of the appeal letter and the supporting documents to the State Board. The State Board will respond in writing to the appeals by December 8, 2009. The review will be limited to determining whether the proposal met the minimum criteria of the SFP.

Appeals must be submitted as follows:

Mail to:                      ATTN: Clusters of Opportunity SFP Appeals  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

By courier to:              ATTN: Clusters of Opportunity SFP Appeals  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

Hand deliver to:            ATTN: Clusters of Opportunity SFP Appeals  
California Workforce Investment Board  
777 12<sup>th</sup> Street, Suite 200  
Sacramento, CA 95814

## **Section 7 Administrative Requirements**

### **A. Monitoring and Audits**

Grantees will be monitored and/or audited by the State, in accordance with existing policies, procedures, and requirements governing the use of Recovery Act and WIA funds. Grantees are expected to be responsive to all reviewers' requests, provide reasonable and timely access to records and staff, facilitate access to subcontractors, and communicate with reviewers in a timely and accurate manner.

Awardees that are units of local government, or non-profit entities as defined by OMB Circular A-133, must ensure that audits required under OMB guidelines are performed and submitted when due. Organizations that are subrecipients under WIA Title I and that expend more than the minimum level specified in OMB Circular A-133 (\$500,000 as of January 1, 2004) must have either an organization-wide audit conducted in accordance with OMB Circular A-133 or a program specific financial and compliance audit.

### **B. Record Keeping**

Awardees will be required to maintain project and fiscal records sufficient to allow federal, state, and local reviewers to evaluate the project effectiveness and proper use of funds. The record keeping system must include both original and summary (e.g., computer generated) data sources. Awardees will retain all records pertinent to this contract for a period of three years from the date of final payment of this contract.

### **C. Reporting**

Grantees must have the capability to report expenditures, participant, and outcome data to the State, in a manner that is timely, thorough and accurate. The State has developed the Job Training Automation (JTA) system for reporting data collected by grantees. Grantees will be required to have the approved emulation software for this purpose. The State will provide training on how to use the JTA system. See Appendix D for the JTA minimum computer hardware and software requirements.

Grantees will be required to submit monthly financial and participant reports using the standard JTA system data elements including participant information, project activities and expenditures. Additional data elements and narrative reports may be required for the Energy Commission funds. The State will issue further guidance once awards have been made. Upon closeout of the project an End of Project report is required.

Applicants must also be aware of the Recovery Act reporting guidelines published on June 22, 2009, by the Office of Management and Budget (OMB) [M-09-21](#), *Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009*. This guidance implements the reporting requirements included in Section 1512 of the Recovery Act for recipients of grants, loans, and other forms of assistance. Awardees receiving funds under this SFP will be subject to these reporting requirements. The State will issue further guidance to grantees on the specific Recovery Act requirements as they relate to this SFP.



## **D. Cash Disbursements**

Requests for cash disbursement of WIA funds will follow the normal WIA procedures using the JTA system. The State is currently establishing a system for disbursing cash requests for the Energy Commission funds. At this time, we are unable to use the JTA system for processing these cash requests. An invoice process with disbursement of cash through State Controller warrants is being developed. The State will make every effort to minimize the time between the request for cash and the receipt of funds. Further guidance will be issued to awardees.

## **E. Outcomes**

The overall State goals are provided as a point of reference for applicants when reviewing their regional goals. The State recognizes that regional goals may differ from those presented here. Local program designs may vary significantly and necessitate flexibility in determining goals

Funds recipients will be required to submit annual reports, quarterly status reports, and financial updates during the life of agreement. These reports will cover such areas as services offered, policy implemented, challenges encountered, lessons learned, expenditures, status on deliverables, milestones, accomplishments, plans for next quarter/year, and workforce development/improvement related activities. At the end of the life of the agreement, the recipients shall also provide a final report representing all activities throughout the life of the agreement. The final report shall summarize all activities, outcomes, evaluation of the success of meeting goals, and action plans to further objectives in proceeding years.

## **F. Closeout**

A subgrant/line item closeout will be required 60 days after the completion of the grant period. WIA Directive [WIAD06-3](#), WIA Closeout Handbook, provides specific instructions for closeout. Applicants should include costs associated with closeout activities into the budget plan.

## **G. Compliance**

All funds are subject to their related State and federal statutory and regulatory requirements. These requirements are detailed in governing documents that include, but are not limited to, the WIA and its associated federal regulations, including Title 29 of the Code of Federal Regulations, State and federal WIA directives, and OMB Circulars. Refer to Appendix C, *Internet Resources*, for a list of useful Web sites.

## **H. Evaluation**

WIA Sections 134 and 136 (e) provide for the ongoing evaluation of workforce investment activities. Evaluation of statewide activities allows the State to determine the effectiveness of the Governor's 15 Percent funds (both WIA and Recovery Act funds) in addressing the identified statewide needs. As a result, the State may pursue a statewide evaluation of the projects awarded through this SFP. In the event that a statewide evaluation is implemented, the applicant will be required to participate in that evaluation by providing requested data and information. Therefore, all award recipients are expected to document lessons learned, and effective/promising practices ascertained through this project.

# **APPENDIX A**

## **Administrative Cost Definitions**

There is an administrative cost limit of ten percent of the total funds awarded under this contract.

All local grant recipients and lower tier subrecipients must follow the federal allowable cost principles that apply to their type of organization. The Department of Labor (DOL) regulations at 29 Code of Federal Regulations (CFR) 95.27 and 29 CFR 97.22 identify the federal principles for determining allowable costs that must be followed.

Although administrative in nature, costs of information technology—computer hardware and software—needed for tracking and monitoring of Workforce Investment Act (WIA) program, participant, or performance requirements; or for collecting, storing and disseminating information, are excluded from the administrative cost limit calculation.

- A. The cost of administration is that allocable portion of necessary and reasonable allowable costs of direct grant recipients, as well as, local grant recipients, local grant subrecipients, local fiscal agent, and which are not related to the direct provision of WIA services, including services to participants and employers. These costs can be both personnel and non-personnel, and both direct and indirect.
- B. The costs of administration are the costs associated with performing the following functions:
  - 1. Performing the following overall general administrative functions and coordination of those functions under WIA Title I:
    - i. Accounting, budgeting, financial and cash management functions
    - ii. Procurement and purchasing functions
    - iii. Property management functions
    - iv. Personnel management functions
    - v. Payroll functions
    - vi. Coordinating the resolution of findings arising from audits, reviews, investigations and incident reports
    - vii. Audit functions
    - viii. General legal services functions
    - ix. Developing systems and procedures, including information systems, required for these administrative functions
  - 2. Performing oversight and monitoring responsibilities related to WIA administrative functions.

3. Costs of goods and services required for administrative functions of the program, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space. Travel costs incurred for official business in carrying out administrative activities or the overall management of the WIA systems.
4. Costs of information systems related to administrative functions (for example, personnel, procurement, purchasing, property management, accounting and payroll systems) including the purchase, systems development and operating costs of such systems.

C.

1. Awards to subrecipients or vendors that are solely for the performance of administrative functions are classified as administrative costs.
2. Personnel and related non-personnel costs of staff who perform both administrative functions specified in paragraph (b) of this section and programmatic services or activities must be allocated as administrative or program costs to the benefiting cost objectives/categories based on documented distributions of actual time worked or other equitable cost allocation methods.
3. Specific costs charged to an overhead or indirect cost pool that can be identified directly as a program cost are to be charged as a program cost. Documentation of such charges must be maintained.
4. Except as provided at paragraph (c)(1), all costs incurred for functions and activities of subrecipients and vendors are program costs.
5. Costs of the following information systems including the purchase, systems development and operating (e.g., data entry) costs are charged to the program category:
  - (i) Tracking or monitoring of participant and performance information
  - (ii) Employment statistics information, including job listing information, job skills information, and demand occupation information
  - (iii) Performance and program cost information on eligible providers of training services, youth activities, and appropriate education activities
  - (iv) Local area performance information
  - (v) Information relating to supportive services and unemployment insurance claims for program participants
6. Continuous improvement activities are charged to administration or program category based on the purpose or nature of the activity to be improved. Documentation of such charges must be maintained.

# **APPENDIX B**

## **General Provisions and Standards of Conduct**

### **1. Compliance**

In performance of this subgrant agreement, Subgrantee will fully comply with:

- a) The provisions of the WIA and all regulations, legislation, directives, policies, procedures and amendments issued pursuant thereto.
- b) All State legislation and regulations to the extent permitted by federal law and all policies, directives and/or procedures, which implement the WIA.
- c) The provisions of Public Law 107-288, Jobs for Veterans Act, as the law applies to DOL job training programs
- d) Subgrantee will ensure diligence in managing programs under this subgrant agreement, including performing appropriate monitoring activities and taking prompt corrective action against known violations of the WIA. Subgrantee agrees to conform to the provisions of the WIA and the contract requirements as referenced in 29 CFR Part 95, Appendix A and 29 CFR, Part 97.36(i)(1-13).

This subgrant agreement contains the entire agreement of the parties and supersedes all negotiations, verbal or otherwise and any other agreement between the parties hereto. This subgrant agreement is not intended to and will not be construed to create the relationship of agent, servant, employee, partnership, joint venture or association between the Subgrantor and the Subgrantee. Subgrantee represents and warrants it is free to enter into and fully perform this subgrant agreement.

### **2. Certification / Assurances**

Except as otherwise indicated, the following certifications apply to all Subgrantee's.

- a) Corporate Registration: The Subgrantee, if it is a corporation, certifies it is registered with the Secretary of State of the State of California.
- b) The Subgrantee agrees to comply with the Americans with Disabilities Act (ADA) of 1990, which, prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to ADA. (42 U.S.C.12101 et seq.
- c) Sectarian Activities: The Subgrantee certifies that this subgrant agreement does not provide for the advancement or aid to any religious sect, church or creed, or sectarian purpose nor does it help to support or sustain any school, college, university, hospital or other institution controlled by any religious creed, church, or sectarian denomination whatsoever, as specified by Article XVI, Section 5, of the Constitution, regarding separation of church and state.
- d) National Labor Relations Board: The Subgrantee (if not a public entity), by signing this subgrant agreement, does swear under penalty of perjury, that no more than one final unappeasable finding of contempt of court by a federal court has been issued against the Subgrantee within the immediately preceding two-year period because of Subgrantee's failure to comply with an order of a federal court, which orders the Subgrantee to comply with an order of the National Labor Relations Board (PCC10296).

- e) Prior Findings: Subgrantee, by signing this subgrant agreement, does swear under penalty of perjury, that it has not failed to satisfy any major condition in a current or previous subgrant agreement with the DOL or the State of California and has not failed to satisfy conditions relating to the resolution of a final finding and determination, including repayment of debts.
- f) Drug-Free Workplace Certification: By signing this subgrant agreement the Subgrantee hereby certifies under penalty of perjury under the laws of the State of California that the Subgrantee will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
- (1) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
  - (2) Establish a Drug-Free Awareness Program as required to inform employees about:
    - the dangers of drug abuse in the workplace;
    - the person's or organization's policy of maintaining a drug-free workplace;
    - any available counseling, rehabilitation and employee assistance programs; and,
    - penalties that may be imposed upon employees for drug abuse violations.
  - (3) Every employee who works on this subgrant agreement will:
    - receive a copy of the company's drug-free policy statement; and,
    - agree to abide by the terms of the company's statement as a condition of employment on the subgrant/contract.
- g) Child Support Compliance Act: In accordance with the Child Support Compliance Act, the Subgrantee recognizes and acknowledges:
- (1) The importance of child and family support obligations and shall fully comply with applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code; and that to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Employee Registry maintained by the California Employment Development Department (EDD).
- h) Debarment and Suspension Certification: By signing this subgrant agreement, the Subgrantee hereby certifies under penalty of perjury under the laws of the State of California that the Subgrantee will comply with regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98.510, that the prospective participant (i.e., grantee), to the best of its knowledge and belief, that it and its principals:
- (1) Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transitions by any federal department or agency.

- (2) Have not within a three-year period preceding this subgrant agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes, or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property.
- (3) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in Section 2 of this certification.
- (4) Have not within a three year period preceding this subgrant agreement had one or more public transactions (federal, state or local) terminated for cause of default.

Where the Subgrantee is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this agreement.

- i) Lobbying Restrictions: By signing this subgrant agreement the Subgrantee hereby assures and certifies to the lobbying restrictions which are codified in the DOL regulations at 29 CFR Part 93.
  - (1) No federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this federal contract, grant loan, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with this subgrant agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.
  - (3) The undersigned shall require that the language of the lobbying restrictions be included in the award documents for subgrant agreement transactions over \$100,000 (per OMB) at all tiers (including subgrant agreements, contracts and subcontracts, under grants, loan, or cooperative agreements), and that all subrecipients shall certify and disclose accordingly.
  - (4) This certification is a material representation of fact upon which reliance is placed when this transaction is executed. Submission of the Lobbying Certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, and U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

j) Priority Hiring Considerations:

If this subgrant includes services in excess of \$200,000, the Subgrantee shall give priority consideration in filling vacancies in positions funded by the subgrant to qualified recipients of aid under Welfare and Institutions Section Code 11200 in accordance with Public Contract Code § 10353.

k) Sweatfree Code of Conduct:

1) All Subgrantees contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The Subgrantee further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations Web site located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

2) The Subgrantee agrees to cooperate fully in providing reasonable access to the subgrantees' records, documents, agents or employees, or premises if reasonably required by authorized officials of the Subgrantor, the Department of Industrial Relations, or the Department of Justice to determine the subgrantees' compliance with the requirements under paragraph a of the Sweatfree Code of Conduct.

l) Unenforceable Provision: In the event that any provision of this subgrant agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this subgrant agreement have force and effect and shall not be affected hereby.

m) Nondiscrimination Clause

1) The conduct of the parties to this subgrant agreement will be in accordance with Title VI of the Civil Rights Act of 1964, and the Rules and Regulations promulgated there under and the provisions of WIA, Section 188. In addition:

(a) As a condition to the award of financial assistance from the Department of Labor under Title I of WIA, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions of the following laws:

Section 188 of the Workforce Investment Act of 1988 (WIA), which prohibits discrimination against all individuals in the United States on the basis of race, color, religion, sex, national origin, age disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship/status as a lawfully admitted immigrant authorized to work in the United States or participation in any WIA Title I – financially assisted program or activity;

Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color and national origin;

Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;

The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age; and

Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in educational programs.

The grant applicant also assures that it will comply with 29 CFR part 37 and all other regulations implementing the laws listed above. This assurance applies to the grant applicant's operation of the WIA Title I-financially assisted program or activity, and to all agreements that grant applicant makes to carry out the WIA Title I-financially assisted program or activity. The grant applicant understands that the United States has the right to seek judicial enforcement of this assurance.

(b) This Subgrantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the subgrant agreement.

(c) This Subgrantee agrees to conform to nondiscrimination provisions of the WIA and other federal nondiscrimination requirements referenced in 29 CFR, Part 37.

n) Indemnification:

- 1) The following provision applies only if the Subgrantee is a governmental entity: Pursuant to the provision of Section 895.4 of the California Government Code, each party agrees to indemnify and hold the other party harmless from all liability for damage to persons or property arising out of or resulting from acts or omissions of the indemnifying party.
- 2) The following provision applies only if the Subgrantee is a non-governmental entity: The Subgrantee agrees to the extent permitted by law, to indemnify, defend and save harmless the Subgrantor, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materials persons, laborers and any other persons, firms or corporations, furnishing or supplying work, services, materials, or supplies in connection with the performance of this agreement, and from any and all claims and losses accruing or resulting to any persons, firms or corporations which may be injured or damaged by the Subgrantee in the performance of this subgrant agreement.

Failure to comply with all requirements of the certifications in Section 2 may result in suspension of payment under this subgrant agreement or termination of this subgrant agreement or both, and the Subgrantee may be ineligible for award of future state subgrant agreements/contracts if the department determines that any of the following has occurred: (1) false information on the certifications, or (2) violation of the terms of the certifications by failing to carry out the requirements as noted above.



- o) **Salary and Bonus Limitations:** In compliance with Public Law 109-234, none of the funds appropriated in Public Law 109-149 or prior Acts under the hearing “Employment and Training” that are available for expenditure on or after June 15, 2006, shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under section 101 of Public Law 109-149. This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A-133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the States, the compensation levels for programs involved including Employment and Training Administration programs. See Training and Employment Guidance Letter number 5-06 for further clarification.

The incurrence of costs and receiving reimbursement for these costs under this award certifies that your organization has read the above special condition and is in compliance.

- p) **Clean Air and Water Act:** For subgrants in excess of \$100,000, compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 {h}), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and the U.S. Environmental Protection Agency regulations (40 CFR 15, revised as of July 1, 1989).

### 3. Standards of Conduct

The following standards apply to all Subgrantees.

- a) **General Assurance:** Every reasonable course of action will be taken by the Subgrantee in order to maintain the integrity of this expenditure of public funds and to avoid favoritism and questionable or improper conduct. This subgrant agreement will be administered in an impartial manner, free from efforts to gain personal, financial or political gain. Subgrantee agrees to conform to the nondiscrimination requirements as referenced in WIA, Section 188.
- b) **Avoidance of Conflict of Economic Interest:** An executive or employee of the Subgrantee, an elected official in the area or a member of the Local Board, will not solicit or accept money or any other consideration from a third person, for the performance of an act reimbursed in whole or part by the Subgrantee or Subgrantor: Supplies, materials, equipment or services purchased with subgrant agreement funds will be used solely for purposes allowed under this subgrant agreement. No member of the Local Board will cast a vote on the provision of services by that member (or any organization, which that member represents) or vote on any matter which would provide direct financial benefit to that member (or immediate family of the member) or any business or organization which the member directly represents.

### 4. Coordination

Subgrantee will, to the maximum extent feasible, coordinate all programs and activities supported under this part with other programs under the WIA, including the Wagner-Peyser Act, Title 38 of the United States Code, and other employment and training programs at the state and local level.

Subgrantee will consult with the appropriate labor organizations and/or employer representatives in the design, operation or modification of the programs under this subgrant agreement.

5. Subcontracting

- a) Any of the work or services specified in this subgrant agreement which will be performed by other than by the Subgrantee will be evidenced by a written agreement specifying the terms and conditions of such performance.
- b) The Subgrantee will maintain and adhere to an appropriate system, consistent with federal, state and local law, for the award and monitoring of contracts which contain acceptable standards for insuring accountability.
- c) The system for awarding contracts will contain safeguards to insure that the Subgrantee does not contract with any entity whose officers have been convicted of fraud or misappropriation of funds within the last two years.

6. Insurance

Except for city and county governmental entities, Subgrantees must provide the Subgrantor evidence of the coverage specified in a, b, c and d below. The evidence of coverage shall include the registration number of the subgrant agreement for identification purposes.

- a) Subgrantee will obtain a fidelity bond in an amount of not less than \_\_\_\_\_, prior to the receipt of funds under this subgrant agreement. If the bond is canceled or reduced, Subgrantee will immediately so notify the Subgrantor. In the event the bond is canceled or revised, the Subgrantor will make no further disbursements until it is assured that adequate coverage has been obtained.
- b) Subgrantee will provide general liability insurance with a combined limit of \$1,000,000 or public liability and property damage coverage with a combined limit of not less than \$1,000,000.
- c) Subgrantee will provide broad form automobile liability coverage with limits as set forth in (b) above, which applies to both owned/leased and non-owned automobiles used by the Subgrantee or its agents in performance of this subgrant agreement, or, in the event that the Subgrantee will not utilize owned/leased automobiles but intends to require employees, trainees or other agents to utilize their own automobiles in performance of this subgrant agreement, Subgrantee will secure and maintain on file from all such employees, trainees or agents a self-certification of automobile insurance coverage.
- d) Subgrantee will provide Worker's Compensation Insurance, which complies with provisions of the California Labor Code, covering all employees of the Subgrantee and all participants enrolled in work experience programs. Medical and Accident Insurance will be carried for those participants not qualifying as "employee" (Section 3350, et seq. of the California Labor Code) for Worker's Compensation.
- e) The Subgrantor will be named as "Certificate Holder" of policies secured in compliance with paragraphs a-d above and will be provided certificates of insurance or insurance company "binders" prior to any disbursement of funds under this subgrant agreement, verifying the insurance requirements have been complied with. The coverage noted in b and c above must contain the following clauses:

- (1) Insurance coverage will not be canceled or changed unless 30 days prior to the effective date of cancellation or change written notice is sent by the Subgrantee to:

WIA - Financial Management Unit  
Employment Development Department  
P. O. Box 826880, MIC 69  
Sacramento, CA 94280-0001

- (2) State of California, its officers, agents, employees and servants are included as additional insured, but only insofar as the operations under this subgrant agreement are concerned.
- (3) The State of California is not responsible for payment of premiums or assessments on this policy

#### 7. Resolution

A county, city, district or other local public body must provide the state with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of this subgrant agreement. Preferably resolutions should authorize a designated position rather than a named individual.

#### 8. Funding

It is mutually understood between the parties that this subgrant agreement may have been written before ascertaining the availability of congressional and legislative appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the subgrant agreement was executed after that determination was made.

This subgrant agreement is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate state fiscal years covered by this subgrant agreement for the purposes of this program and; (2) sufficient funds available to the state by the United States Government for the fiscal years covered by this subgrant agreement for the purposes of this program. In addition, this subgrant agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress and Legislature or any statute enacted by the Congress and Legislature which may affect the provisions, terms, or funding of this subgrant agreement in any manner.

- a) At the expiration of the terms of this subgrant agreement or upon termination prior to the expiration of this subgrant agreement, funds not obligated for the purpose of this subgrant agreement will be immediately remitted to the Subgrantor, and no longer available to the Subgrantee.
- b) The Subgrantor retains the right to suspend financial assistance, in whole or in part, to protect the integrity of the funds or to ensure proper operation of the program, providing the Subgrantee is given prompt notice and the opportunity for an informal review of the Subgrantor's decision. The Chief Deputy Director or his designee will

perform this informal review and will issue the final administrative decision within 60 days of receiving the written request for review. Failure on the part of the Subgrantee or a Subcontractor of the Subgrantee to comply with the provisions of this subgrant agreement, or with the WIA or regulations, when such failure involves fraud or misappropriation of funds, may result in immediate withholding of funds.

#### 9. Accounting and Cash Management

- a) Subgrantee will comply with controls, record keeping and fund accounting procedure requirements of WIA, federal and state regulations and directives to ensure the proper disbursement of, and accounting for, program funds paid to the Subgrantee and disbursed by the Subgrantee, under this subgrant agreement.
- b) Subgrantee will submit requests for cash to coincide with immediate cash needs and assure that no excess cash is on deposit in their accounts or the accounts of any sub-contracting service provider in accordance with procedures established by the Subgrantor. Failure to adhere to these provisions may result in suspending cash draw down privileges and providing funds through a reimbursement process.
- c) The Subgrantor retains the authority to adjust specific amounts of cash requested if the Subgrantor's records and subsequent verification with the Subgrantee indicate that the Subgrantee has an excessive amount of cash in its account.
- d) Income (including interest income) generated as a result of the receipt of WIA activities, will be utilized in accordance with policy and procedures established by the Subgrantor. Subgrantee will account for any such generated income separately.
- e) Subgrantee shall not be required to maintain a separate bank account but shall separately account for WIA funds on deposit. All funding under this subgrant agreement, will be made by check or wire transfer payable to the Subgrantee for deposit in Subgrantee's bank account or city and county governmental bank accounts. To provide for the necessary and proper internal controls, funds should be withdrawn and disbursed by no less than two representatives of the Subgrantee. The Subgrantor will have a lien upon any balance of WIA funds in these accounts, which will take priority over all other liens or claims.

#### 10. Amendments

This subgrant agreement may be unilaterally modified by the Subgrantor under the following circumstances:

- a) There is an increase or decrease in federal or state funding levels.
- b) A modification to the Subgrant is required in order to implement an adjustment to a Subgrantee's plan.
- c) Funds awarded to the Subgrantee have not been expended in accordance with the schedule included in the approved Subgrantee's plan. After consultation with the Subgrantee, the Subgrantor has determined that funds will not be spent in a timely manner, and such funds are for that reason to the extent permitted by and in a manner consistent with state and federal law, regulations and policies, reverting to the Subgrantor.

- d) There is a change in state and federal law or regulation requiring a change in the provisions of this subgrant agreement..
- e) An amendment is required to change the Subgrantees' name as listed on this subgrant agreement. Upon receipt of legal documentation of the name change the state will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

Except as provided above, this subgrant agreement may be amended only in writing by the mutual agreement of both parties

#### 11. Reporting

Subgrantee will compile and submit reports of activities, expenditures, status of cash and closeout information by the specified dates as prescribed by the Subgrantor. All expenditure reports must be submitted upon the accrual basis of accounting. Failure to adhere to the reporting requirements of this agreement will result in funds not being released.

#### 12. Termination

This subgrant agreement may be terminated in whole or in part for either of the two following circumstances:

- a) Termination for Convenience - Either the Subgrantor or the Subgrantee may request a termination, in whole or in part, for convenience. The Subgrantee will give a ninety- (90) calendar-day advance notice in writing to the Subgrantor. The Subgrantor will give a ninety (90) calendar-day advance notice in writing to the Subgrantee.
- b) Termination for Cause - The Subgrantor may terminate this subgrant agreement in whole or in part when it has determined that the Subgrantee has substantially violated a specific provision of the WIA regulations or implementing state legislation and corrective action has not been taken.
  - (1) All notices of termination must be in writing and be delivered personally or by deposit in the U. S. Mail, postage prepaid, "Certified Mail-Return Receipt Requested", and will be deemed to have been given at the time of personal delivery or of the date of postmark by the U. S. Postal Service.

#### **Notices to the Subgrantee will be addressed to:**

Financial Management Unit  
Workforce Investment Division  
Employment Development Department P. O. Box 826880, MIC 69  
Sacramento, CA 94280-0001

#### 13. Records

- a) If participants are served under this subgrant agreement, the Subgrantee will establish a participant data system as prescribed by the Subgrantor.
- b) Subgrantee will retain all records pertinent to this subgrant agreement for a period of three years from the date of final payment of this subgrant agreement. If, at the end of three years, there is litigation or an audit involving those records, the Subgrantee

will retain the records until the resolution of such litigation or audit.

- c) The Subgrantor and/or the U. S. DOL, or their designee will have access to and right to examine, monitor and audit all records, documents, conditions and activities related to programs funded by this subgrant agreement. For purposes of this section, "access to" means that the Subgrantee shall at all times maintain within the State of California a complete set of records and documents related to programs funded by this agreement. The Subgrantee shall comply with this requirement regardless of whether it ceases to operate or maintain a presence within the State of California before the expiration of the subgrant. Subgrantee's performance under the terms and conditions herein specified will be subject to an evaluation by the Subgrantor of the adequacy of the services performed, timeliness of response and a general impression of the competency of the firm and its staff.

#### 14. Audits

- a) The Subgrantee will maintain and make available to auditors, at all levels, accounting and program records including supporting source documentation and cooperate with all auditors. All governmental and non-profit organizations must follow the audit requirements (single audit or program-specific audit requirement) of OMB Circular A-133 (29 CFR 97.26 and 29 CFR 95.26).
- b) The Subgrantee and/or auditors performing monitoring or audits of the Subgrantee or its sub-contracting service providers will immediately report to the Subgrantor any incidents of fraud, abuse or other criminal activity in relation to this subgrant agreement, the WIA, or its regulations.

#### 15. Disallowed Costs

Except to the extent that the state determines it will assume liability, the Subgrantee will be liable for and will repay, to the Subgrantor, any amounts expended under this subgrant agreement found not to be in accordance with WIA including, but not limited to, disallowed costs. Such repayment will be from funds (Non-Federal), other than those received under the WIA.

#### 16. Conflicts

- a) Subgrantee will cooperate in the resolution of any conflict with the U. S. DOL that may occur from the activities funded under this agreement.
- b) In the event of a dispute between the Subgrantor and the Subgrantee over any part of this subgrant agreement, the dispute may be submitted to non-binding arbitration upon the consent of both the Subgrantor and the Subgrantee. An election for arbitration pursuant to this provision will not preclude either party from pursuing any remedy for relief otherwise available.

#### 17. Grievances and Complaint System

Subgrantee will establish and maintain a grievance and complaint procedure in compliance with the WIA, federal regulations and state statutes, regulations and policy.

#### 18. Property

All property, whether finished or unfinished documents, data, studies and reports prepared or purchased by the Subgrantee under this subgrant agreement, will be disposed of in accordance with the direction of the Subgrantor. In addition, any tools and/or equipment furnished to the Subgrantee by the Subgrantor and/or purchased by the Subgrantee with funds pursuant to this subgrant agreement will be limited to use within the activities outlined in this subgrant agreement and will remain the property of the United States Government and/or the Subgrantor. Upon termination of this subgrant agreement, Subgrantee will immediately return such tools and/or equipment to the Subgrantor or dispose of them in accordance with the direction of the Subgrantor.

## 19. Intellectual Property Provisions

### a) Federal Funding

In any subgrant funded in whole or in part by the federal government, Subgrantor may acquire and maintain the Intellectual Property rights, title, and ownership, which result directly or indirectly from the subgrant, except as provided in 37 Code of Federal Regulations part 401.14. However, pursuant to 29 CFR section 97.34 the federal government shall have a royalty-free, non-exclusive, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

### b) Ownership

- (1) Except where Subgrantor has agreed in a signed writing to accept a license, Subgrantor shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all intellectual property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement.
- (2) For the purposes of this subgrant agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will, any data or information maintained, collected or stored in the ordinary course of business by Subgrantor, and all other legal rights protecting intangible proprietary information as may exist now and/or hereafter come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
  - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and

negatives thereof, sound recordings, tapes, educational materials, interactive videos, computer software and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. "Works" does not include articles submitted to peer review or reference journals or independent research projects.

- (3) In the performance of this subgrant agreement, Subgrantee may exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this subgrant agreement. In addition, under this subgrant agreement, Subgrantee may access and utilize certain of Subgrantor's intellectual property in existence prior to the effective date of this subgrant agreement. Except as otherwise set forth herein, Subgrantee shall not use any of Subgrantor's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of Subgrantor. Except as otherwise set forth herein, neither the Subgrantee nor Subgrantor shall give any ownership interest in or rights to its Intellectual Property to the other Party. If, during the term of this subgrant agreement, Subgrantee accesses any third-party Intellectual Property that is licensed to Subgrantor, Subgrantee agrees to abide by all license and confidentiality restrictions applicable to Subgrantor in the third-party's license agreement.
- (4) Subgrantee agrees to cooperate with Subgrantor in establishing or maintaining Subgrantor's exclusive rights in the Intellectual Property, and in assuring Subgrantor's sole rights against third parties with respect to the Intellectual Property. If the Subgrantee enters into any agreements or subcontracts with other parties in order to perform this subgrant agreement, Subgrantee shall require the terms of the agreement(s) to include all Intellectual Property provisions of paragraph nineteen a) through nineteen i). Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to Subgrantor all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, subgrantee or subgrantor and which result directly or indirectly from this subgrant agreement or any subcontract.
- (5) Pursuant to paragraph nineteen (b) (4) of the Intellectual Property Provisions in Exhibit BB to this subgrant agreement, the requirement for the Subgrantee to include all Intellectual Property Provisions of paragraph nineteen a) through nineteen i) of the Intellectual Property Provisions in all agreements and subcontracts it enters into with other parties does not apply to subgrant agreements or subcontracts that are for customized and on-the-job training as authorized under 20 CFR 663.700-730.
- (6) Subgrantee further agrees to assist and cooperate with Subgrantor in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce Subgrantor's Intellectual Property rights and interests.

#### c) Retained Rights / License Rights



- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement, Subgrantee shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this subgrant agreement. Subgrantee hereby grants to Subgrantor, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose of Subgrantee's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this subgrant, unless Subgrantee assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Subgrantee from using any ideas, concepts, know-how, methodology or techniques related to its performance under this subgrant agreement, provided that Subgrantee's user does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of Subgrantor or third party, or result in a breach or default of any provisions of paragraph nineteen a) through nineteen i) or result in a breach of any provisions of law relating to confidentiality.

#### d) Copyright

- (1) Subgrantee agrees that for purposes of copyright law, all works (as defined in Ownership, paragraph nineteen (b) (2) (a) of authorship made by or on behalf of Subgrantee in connection with Subgrantee's performance of this subgrant agreement shall be deemed "works made for hire." Subgrantee further agrees that the work of each person utilized by Subgrantee in connection with the performance of this subgrant agreement will be a "work made for hire," whether that person is an employee of Subgrantee or that person has entered into an agreement with Subgrantee to perform the work. Subgrantee shall enter into a written agreement with any such person that: (i) all work performed for Subgrantee shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to Subgrantor to any work product made, conceived, derived from or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement.
- (2) All materials, including, but not limited to, computer software, visual works or text, reproduced or distributed pursuant to this subgrant agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement may not be reproduced or disseminated without prior written permission from Subgrantor.

#### e) Patent Rights

With respect to inventions made by Subgrantee in the performance of this subgrant agreement, which did not result from research and development specifically included

in the Subgrant's scope of work, Subgrantee hereby grants to Subgrantor a license as described under paragraph nineteen c) for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the subgrant agreement's scope of work, then Subgrantee agrees to assign to Subgrantor, without addition compensation, all its right, title and interest in and to such inventions and to assist Subgrantor in securing United States and foreign patents with respect thereto.

f) Third-Party Intellectual Property

Except as provided herein, Subgrantee agrees that its performance of this subgrant agreement shall not be dependent upon or include any Intellectual Property of Subgrantee or third party without first: (i) obtaining Subgrantor's prior written approval; and (ii) granting to or obtaining for Subgrantor's, without additional compensation, a license, as described in **paragraph nineteen c)**, for any of Subgrantee's or third-party's Intellectual Property in existence prior to the effective date of this subgrant agreement. If such a license upon these terms is unattainable, and Subgrantor determines that the Intellectual Property should be included in or is required for Subgrantee's performance of this subgrant agreement, Subgrantee shall obtain a license under terms acceptable to Subgrantor.

g) Warranties

(1) Subgrantee represents and warrants that:

- (a) It has secured and will secure all rights and licenses necessary for its performance of this subgrant agreement.
- (b) Neither Subgrantee's performance of this subgrant agreement, nor the exercise by either Party of the rights granted in this subgrant agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There are currently no actual or threatened claims by any such third party based on an alleged violation of any such right by Subgrantee.
- (c) Neither Subgrantee's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- (d) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors.
- (e) Of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites locations, property or props that may be used or shown.

- (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to Subgrantor in this subgrant agreement.
  - (g) It has appropriate systems and controls in place to ensure that state and federal funds will not be used in the performance of this subgrant agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
  - (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Subgrantee's performance of this subgrant agreement.
- (2) SUBGRANTOR MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS SUBGRANT AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

h) Intellectual Property Indemnity

- (1) Subgrantee shall indemnify, defend and hold harmless Subgrantor and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnities") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim action, or proceeding, commenced or threatened) to which any of the Indemnities may be subject, whether or not Subgrantee is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Subgrantee pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of Subgrantor's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Subgrantee or Subgrantor and which result directly or indirectly from this subgrant agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that was issued after the effective date of this subgrant agreement. Subgrantor reserves the right to participate in and/or control, at Subgrantee's expense, any such infringement action brought against Subgrantor.
- (2) Should any Intellectual Property licensed by the Subgrantee to Subgrantor under this subgrant agreement become the subject of an Intellectual Property infringement claim, Subgrantee will exercise its authority reasonably and in good faith to preserve Subgrantor's right to use the licensed Intellectual Property in accordance with this subgrant agreement at no expense to Subgrantor. Subgrantor shall have the right to monitor and appear through its own counsel (at Subgrantee's expense) in any such claim or action. In the defense or settlement

of the claim, Subgrantee may obtain the right for Subgrantor to continue using the licensed Intellectual Property or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, Subgrantor may be entitled to a refund of all monies paid under this subgrant agreement, without restriction or limitation of any other rights and remedies available at law or in equity.

- (3) Subgrantee agrees that damages alone would be inadequate to compensate Subgrantor for breach of any term of these Intellectual Property provisions of paragraph nineteen a) through nineteen i) by Subgrantee. Subgrantee acknowledges Subgrantor would suffer irreparable harm in the event of such breach and agrees Subgrantor shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

i) Survival

The provisions set forth herein shall survive any termination or expiration of this subgrant agreement or any project schedule.

20. Confidentiality Requirements

The State of California and the Subgrantee will exchange various kinds of information pursuant to this subgrant agreement. That information will include data, applications, program files, and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the California Department of Corrections, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges and the Department of Alcohol and Drug Programs.

The Subgrantor and Subgrantee agree that:

- a) Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.
- b) Each party shall provide security sufficient to ensure protection of confidential information from improper use and disclosures, including sufficient administrative, physical, and technical safeguards to protect this information from reasonable unanticipated threats to the security or confidentiality of the information.
- c) The Subgrantee agrees that information obtained under this subgrant agreement will not be reproduced, published, sold or released in original or in any other form for any purpose other than those specifically identified in this agreement.
  - i. Aggregate Summaries: All reports and/or publications developed by the Subgrantee based on data obtained under this agreement shall contain

confidential data in aggregated or statistical summary form only. "Aggregated" refers to a data output that does not allow identification of an individual or employer unit.

- ii. Publication: Prior to publication, Subgrantee shall carefully analyze aggregated data outputs to ensure the identity of individuals and/or employer units cannot be inferred pursuant to Unemployment Insurance Code section 1094(c). Personal identifiers must be removed. Geographic identifiers should be specified only in large areas and as needed, and variables should be recorded in order to protect confidentiality.
- iii. Minimum Data Cell Size: The minimum data cell size or derivation thereof shall be three participants for any data table released to outside parties or to the public.
- d) Each party agrees that no disaggregate data, identifying individuals or employers, shall be released to outside parties or the public.
- e) The Subgrantee shall notify Subgrantor's Information Security Office of any actual or attempted information security incidents, within 24 hours of initial detection, by telephone at (916) 654-6231. Information Security Incidents include, but are not limited to, any event (intentional or unintentional), that causes the loss, damage, or destruction, or unauthorized access, use, modification, or disclosure of information assets.

The Subgrantee shall cooperate with the Subgrantor in any investigation or security incidents. The system or device affected by an information security incident and containing confidential data obtained in the administration of this program shall be immediately removed from operation upon confidential data exposure or a known security breach. It shall remain removed from operation until correction and mitigation measures are applied.

If the Subgrantee learns of a breach in the security of the system which contains confidential data obtained under this Subgrant, then the Subgrantee must provide notification to individuals pursuant to Civil Code section 1798.82.

- f) The Subgrantee shall provide for the management and control of physical access to information assets (including personal computer systems, computer terminals, mobile computing devices, and various electronic storage media) used in performance of this Subgrant. This shall include, but is not limited to, security measures to physically protect data, systems, and workstations from unauthorized access and malicious activity; the prevention, detection, and suppression of fires; and the prevention, detection, and minimization of water damage.
- g) At no time will confidential data obtained pursuant to this agreement be placed on a mobile computing device, or on any form of removable electronic storage media of any kind unless the data are fully encrypted.
- h) Each party shall provide its employees with access to confidential information with written instructions fully disclosing and explaining the penalties for unauthorized use or disclosure of confidential information found in section 1798.55 of the Civil Code, section 502 of the Penal Code, section 2111 of the Unemployment Insurance Code, section 10850 of the Welfare and Institutions Code and other applicable local, state

and federal laws.

- i) Each party shall (where it is appropriate) store and process information in electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by means of a computer.
- j) Each party shall promptly return to the other party confidential information when its use ends, or destroy the confidential information utilizing an approved method of destroying confidential information: shredding, burning, or certified or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.
- k) If the Subgrantor or Subgrantee enters into an agreement with a third party to provide WIA services, the Subgrantor or Subgrantee agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
- l) The Subgrantee may, in its operation of the One-Stops, permit a One-Stop Operator to enter into a subcontract to manage confidential information. This subcontract may allow an individual to register for resume-distribution services at the same time the individual enrolls in CalJOBS<sup>SM</sup>. Subgrantee shall ensure that all such subcontracts comply with the intellectual property requirements of paragraph 19 of this Subgrant, the confidentiality requirements of paragraph 20 of this Subgrant and any other terms of this Subgrant that may be applicable. In addition, the following requirements must be included in the subcontracts:
  - (1) All client information submitted over the Internet to the subcontractor's databases must be protected, at a minimum, by 128-bit Secure Socket Layer (SSL) encryption. Clients' social security numbers must be stored in a separate database within the subcontractor's network of servers, and protected by a firewall and a secondary database server firewall or AES<sub>1</sub> data encryption. If a subcontractor receives client social security numbers or other confidential information in the course of business, for example a resume-distribution service that provides enrollment in CalJOBS<sup>SM</sup>, social security numbers must be destroyed within two days after the client registers for CalJOBS<sup>SM</sup>. If a subcontractor obtains confidential information as an agent of the subgrantee, the subcontract must specifically state the purpose for the data collection and the term of records retention must be stated, and directly related, to the purpose and use of the information. In accordance with 29 Code of Federal Regulations 97.42, social security numbers and other client specific information shall not be retained for more than three years after a client completes services. The subgrantee should extend this period, only if any litigation, claim, negotiation, audit, or other action involving the records has been started before the end of the three-year retention period. In this case the records should be maintained until completion of the action and resolution of all issues arising from it, or until the close of the three-year retention period, whichever is later. (29 CFR sec. 97.42 (b)(2).)
  - (2) Client information (personal information that identifies a client such as name and social security number) and/or demographic information of a client (such as wage history, address, and previous employment) shall not be used as a basis for commercial solicitation during the time the client or agency is using the

subcontractor's services. Client information and/or demographic information shall not be used for any purposes other than those specific program purposes set forth in the subcontract.

- (3) A One-Stop client must still be given the option to use the One-Stop's services, including CalJOBS<sup>SM</sup>, even if he or she chooses not to use any services of the subcontractor. This option shall be prominently, clearly and immediately communicated to the client upon registration within the One-Stop or for CalJOBS<sup>SM</sup>, the subcontractor's resume-distribution services, or any other services subcontractor offers to the client or the One-Stop Operator.
  - (4) The subcontractor must clearly disclose all of its potential and intended uses of the client's personal and/or demographic information for the services the clients seeks and for any other services the subcontractor offers. The subcontractor shall not use a client's personal and/or demographic information without the client's prior permission. A link to the subcontractor's Privacy Policy shall appear prominently on the registration screens that list the potential and intended uses of the client's personal and/or demographic information.
  - (5) When the Subgrantor modifies State automated systems such as the State CalJOBS<sup>SM</sup> System, it shall provide reasonable notice of such changes to the Subgrantee. The Subgrantee shall be responsible to communicate such changes to the One-Stop Operator(s) in the local area.
- m) Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and each party shall notify the other of any changes in that designation. As of this date, the following are those individuals:

FOR THE SUBGRANTOR

Name: Elizabeth J. Clingman  
Title: Section Manager  
Address: P.O. Box 826880, MIC 69  
Sacramento, CA 94280-0001  
Telephone: (916) 654-9699  
Fax: (916) 654-9586

FOR THE SUBGRANTEE

Name:  
Title:  
Telephone:  
Fax:

21. Signatures

This subgrant agreement is of no force and effect until signed by both of the parties hereto. Subgrantee will not commence performance prior to the beginning of this subgrant agreement.

## APPENDIX C

### Internet Resources

The following Internet addresses are valuable sources of information that may be needed in developing project plans, building partnerships, and responding to questions in the SFP.

#### **Useful Web sites in obtaining data for the ARRA Regional Industry Clusters of Opportunity SFP:**

##### [California Economic Strategy Panel](#)

Find data on the nine economic regions.

##### [California Workforce Investment Board](#) (State Board)

The State Board establishes policy for, and provides guidance to, local Workforce Investment Boards, which provide services under the WIA.

##### [California Energy Commission \(Commission\)](#)

The California Energy Commission is the state's primary energy policy and planning agency.

##### [Employment Development Department, Labor Market Information Division](#) (LMID)

Find labor market information industry/business that can be useful in preparing your proposal.

##### [State Sector Strategies](#)

Find sector strategies information from various states

#### **Other On-line Resources:**

##### [The Aspen Institute](#)

Find information regarding a nonpartisan setting through regular seminars, policy programs, conferences, and leadership development initiatives

##### [California Association for Local Economic Development](#) (CALED)

CALED is an economic development organization dedicated to advancing its members' ability to achieve excellence in delivering economic development services to their communities and business clients within California.

##### [California Community Colleges Chancellor's Office](#)

Find information on local training programs offered by the Community College system

##### [California Department of Education-Data and Statistics](#)

Find data on high school drop-out rates and academic performance index scores.

##### [California Department of Finance-Demographic Research](#)

Research State census data including population by gender, age and race by



county.

[California Department of Health Services](#)

Serves the people of California by working to protect and improve public health.

[California Employment Development Department](#) (EDD)

The EDD is the administrative entity for the RICOTA SFP. This site contains or links to a wide range of employment and training resources, including labor market information.

[California Employment Training Panel](#) (ETP)

The ETP is a statewide economic development program that supports retraining of incumbent workers. The ETP also funds the training of unemployed workers for high-skill, high-wage, secure jobs.

[California Labor and Workforce Development Agency](#)

The California Labor and Workforce Development Agency is an executive branch agency, and the secretary is a member of the Governor's cabinet. The agency oversees seven major departments, boards, and panels that serve California businesses and workers including the Employment Development Department.

[California One-Stop Career Centers](#)

Find an office! A central location for information about One-Stop Career Centers and related links.

[California Regional Economies Project](#)

The California Regional Economies Project provides state and local economic and workforce development organizations with information about each regional economy and labor market in California. The Project is sponsored by the California Workforce Investment Board of the Labor & Workforce Development Agency, and implemented in partnership with the California Economic Strategy Panel.

[California Workforce Association](#) (CWA)

CWA is a non-profit membership organization that develops public policy strategies and builds local capacity to address critical workforce issues while working with the 50 Workforce Investment Boards, One-Stop Career Centers, and other workforce development partners in California.

[Department Industrial Relations, Division of Apprenticeship Standards](#)

Locate State-Registered apprenticeships in your region

[Local Workforce Investment Areas](#) (LWIA)

A listing of LWIAs with addresses and contact information.

[National Association of Manufacturers](#) (NAM)

The NAM mission is to enhance the competitiveness of manufacturers by shaping a legislative and regulatory environment conducive to U.S. economic growth and to increase understanding among policymakers, the media and the general public about the vital role of manufacturing to America's economic future and living

standards.

[Office of Management and Budget \(OMB\)](#)

OMB oversees and coordinates the Federal Administration's procurement, financial management, information, and regulatory policies. The OMB Circulars may be downloaded from this website.

[U.S. Department of Labor Employment and Training Administration \(DOLETA\)](#)

The U.S. DOLETA is the federal agent for the WIA program.

[U.S. Chamber of Commerce – Institute for Competitive Workforce \(ICW\)](#)

The ICW is a non-profit affiliate of the U.S. Chamber of Commerce focused on workforce development and quality education issues. The ICW develops workforce strategies for businesses, chambers of commerce, and communities to hire, train, retain, and advance skilled workers in the 21st century.

[U.S. Small Business Administration](#)

Provides guidance and resource information to owners and operators of small businesses.

[Workforce3 One](#)

The Workforce3 One Integrated Webpace offers the public workforce system, employers, economic development professionals, and education professionals an innovative knowledge network designed to create and support a demand-driven community, one that responds directly to business needs and prepares workers for good jobs in the fastest growing careers.

# APPENDIX D

## Job Training Automation System Hardware and Software Requirements

The States minimum computer hardware and software requirements are imposed for compatibility with the State Job Training Automation (JTA) system. The following products meet the new information security requirements and will be supported by the JTA Help Desk:

Vandyke Secure CRT and Secure FX

[www.vandyke.com/products/securecrt/index.html](http://www.vandyke.com/products/securecrt/index.html)

Attachmate EXTRA! Extreme 8.0

[www.attachmate.com/en-US/Products/Terminal+Emulation/Extra/extra.htm](http://www.attachmate.com/en-US/Products/Terminal+Emulation/Extra/extra.htm)

The Workforce Investment Division does not require the use of the above products, but has tested and can provide technical support for these products for the purpose of JTA access. **Please refer to Workforce Investment Act Information Bulletin WIAB05-29 for detailed information.**

### 1. Hardware Requirements:

Pentium-based PC with at least 128 MB RAM

**AND**

A dedicated phone line, and

A modem (9600 bps or higher)

**OR**

A DSL, Cable, T1 or other high-speed Internet connection, and

A Network Interface Card (NIC)

### 2. Operating System (OS) Requirements (one of the following):

MS Windows 98

MS Windows NT

MS Windows 2000

MS Windows XP Home Edition

MS Windows XP Professional Edition

### 3. Communication Package Requirements:

Attachmate EXTRA! Extreme 8.0

Vandyke Secure CRT/Secure FX

other (please specify): \_\_\_\_\_

### 4. Printer Requirements:

Hewlett-Packard (HP) compatible printer

## **APPENDIX E**

### **California Energy Commission Funding**

Project Applications for RICOTA may also qualify for additional funding from the Energy Commission if Advanced Transportation is identified as an industry cluster of opportunity for the region. Information about AB 118 and the Commission's criteria are below.

The intent of the Alternative and Renewable Fuel and Vehicle Technology Program (AB 118) is to develop and deploy alternative and renewable fuels and vehicle technologies in the marketplace, to transform California's fuel and vehicle types, and to help attain the state's climate change policies.

Transitioning California's large and complex petroleum-based fuels market to one based on a diversity of low-carbon alternative and renewable fuels represents an economic development opportunity with the potential of creating new industries and "green collar" jobs. The evolution to a low-carbon transportation economy requires a well-trained workforce to design, construct, install, operate, service, and maintain new fuels and fueling infrastructure and new more efficient vehicles.

Alternative and Renewable Fuel and Vehicle Technologies Workforce Development and Training Program partnerships will coordinate workforce development and training services delivery related to alternative and renewable fuel and vehicle technology including, but not limited to, the following areas:

- Fuel feedstock production and/or extraction
- Alternative and renewable fuel distribution
- Alternative and renewable fuel transport, and/or storage
- Idle management technology and other conservation technologies
- High-performance and low-emission vehicle technology
- Automotive computer systems
- Mass transit fleet and clean vehicle conversion, service, and maintenance
- Other sectors or occupations and technologies related to green transportation

Program workforce development and training partnerships must be cognizant of and responsive to the needs of an industry that is undergoing significant change and strive to form commitments and partnerships with labor unions, private sector industries, training organizations, primary and secondary education systems, and government to meet those needs.

Preference for Commission funds will be given to proposals with a focus on the development and implementation of industry clusters that support green transportation efforts and:

- Provide economic benefits to California by promoting California-based technology firms, new job creation, new business development, economic benefit to low income communities, avoidance of disproportionate impacts to disadvantaged communities, and increased state revenue;
- Drive new technology advancement for vehicles, vessels, engines, and other equipment, and promote the deployment of such technologies in the marketplace;
- Support the transition from the nearly exclusive use of petroleum fuels to a diverse portfolio of viable alternative fuels; and
- Demonstrate the ability and capacity to successfully implement and develop the industry cluster proposed for program funding.